

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

SB 1324 – HB 1328

March 24, 2014

SUMMARY OF ORIGINAL BILL: Requires all legal notices, relative to foreclosures, land sales, transactions involving real property or otherwise required by statute, to be published in a newspaper of general circulation and also on the Secretary of State's website. Requires the Secretary of State to collect a publishing fee of \$50 to be retained by the Department of State. Authorizes the Secretary of State to charge an online transaction fee for processing payments for electronic filings. Effective upon becoming law for implementation purposes. Effective January 1, 2014, for all other purposes.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Revenue –

\$650,000/FY13-14/Foreclosure Fund

\$1,000,000/FY14-15 and Subsequent Years/Foreclosure Fund

Increase State Expenditures –

\$79,000/FY13-14/General Fund

\$76,900/FY13-14/Foreclosure Fund

\$153,800/FY14-15 and Subsequent Years/Foreclosure Fund

SUMMARY OF AMENDMENT (014903): Deletes all language after the enacting clause. Authorizes all newspapers seeking to publish public and legal notices on or after July 1, 2014, to seek an opinion from the Attorney General (AG) to determine if the newspaper qualifies as a newspaper of general circulation. Requires any newspaper wishing to seek an opinion by the AG to make written request through a member of the General Assembly. Upon receiving the request, the AG shall issue an opinion in a reasonable period of time. The AG may request the newspaper to furnish information relevant to publication and distribution, establish a reasonable fee, and post a listing on the AG's website of records, documents, and other information that must be submitted with a request for an opinion. States that a newspaper is presumed to be a newspaper of general circulation if the AG and reporter have previously issued a letter stating so, a court of competent jurisdiction has determined so, or the publication has continuously published legal or public notices since July 1, 2013. Takes effect July 1, 2014.

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FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Increase State Revenue – Exceeds \$500/Office of the Attorney General

Assumptions for the bill as amended:

- The AG is currently authorized to issue opinions on whether newspapers qualify as newspapers of general circulation.
- The Office of the Attorney General issued approximately 20 opinions regarding newspapers qualifying as newspapers of general circulation between 1999 and 2009. It is assumed that an average of five requests for such opinions will be submitted by members of the General Assembly each year.
- Based on the low number of anticipated opinion requests, it is assumed the office can prepare and issue opinions related to this bill within existing resources and without an increased appropriation or a reduced reversion.
- It is reasonably assumed the annual fees assessed and collected by the AG will exceed \$100 per opinion with total revenue exceeding \$500 (\$100 x 5 opinions) annually.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Lucian D. Geise, Executive Director

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